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PROCEEDINGS

OF THE

STOCKHOLDERS

OF THE

North Carolina Rail Road Company,

AT THEIR

FORTIETH ANNUAL MEETING

HELD AT

Greensboro, N. C., July 11th, 1889.



RALEIGH:

EDWARDS & BROUGHTON, PRINTERS AND BINDERS.

1889.

Proceedings.

GREENSBORO, N. C., July 11, 1889.

On motion of Col. T. M. HOLT, Hon. JAMES T. MOREHEAD was made Chairman and D. W. C. BENBOW Secretary.

The Committee on Proxies reported number of Stockholders represented in person and by proxy one hundred and ninety-four (194).

Whole number of shares owned by individuals, 10,000.
Whole number represented in person and by proxy, 7,132.

The Chair announced that there was a majority of the individual stock represented; and, therefore, the meeting was organized in accordance with the by-laws.

Mr. J. S. SCOTT presented his credentials as State Proxy, which were received and adopted.

President T. M. HOLT presented his report, also that of the Treasurer and Finance Committee, which were adopted.

The reading of the Secretary and Treasurer's and Finance Committee's reports was dispensed with, as they were printed.

Mr. J. S. SCOTT, State Proxy, named the following gentlemen as Directors on the part of the State, viz.: DONALD MACRAE, W. F. KORNEGAY, M. A. ANGIER, Capt. A. BURWELL, JOHN L. MOREHEAD, Dr. R. W. THOMAS, THEO. F. KLUTZ, and W. H. PACE.

On motion of Gen. R. F. HOKE, the meeting went into the election of four (4) Directors on the part of the individual Stockholders.

The Chair appointed W. F. KORNEGAY and Capt. A. BURWELL as tellers.

The tellers reported the following as the result of the ballot: 7,132 votes were cast for T. M. HOLT, R. F. HOKE, H. W. FRIES and B. CAMERON.

The Chair announced that Col. T. M. HOLT, R. F. HOKE, H. W. FRIES, B. CAMERON, DONALD MACRAE, W. F. KORNAGAY, M. A. ANGIER, Capt. A. BURWELL, JOHN L. MOREHEAD, Dr. R. W. THOMAS, THEO. F. KLUTZ and W. H. PACE were duly elected and appointed.

Col. T. M. HOLT nominated the following gentlemen on the part of the Stockholders members of the Finance Committee, viz.: S. H. WILEY, JOHN L. BROWN, JAMES H. HOLT.

On motion of Maj. JOHN W. GRAHAM, D. W. C. BENBOW and Capt. NEILL ELLINGTON were appointed a committee to verify proxies at the next annual meeting, to be held in Greensboro on the second Thursday in July, 1890.

The following resolution, by Maj. J. W. GRAHAM, was adopted:

Resolved, That the Board of Directors be authorized to issue coupon bonds of the Company, to run for such a period as the Directors may prescribe, and bearing a rate of interest not to exceed six per cent., and the total amount of such bonds not to exceed two hundred thousand (200,000) dollars, and the proceeds of such bonds as may be issued to be expended by the Directors as allowed by chapter 174 of the Laws of 1887.

On motion of D. W. C. BENBOW, the following resolution was adopted:

Resolved, As an evidence of the esteem and gratitude of this Company, the Directors are hereby authorized and directed to erect upon, or as near as practicable to, the spot

where the first ground was broken in the construction of the North Carolina Railroad, a suitable monument in memory of the Hon. CALVIN GRAVES—the friend of internal improvements—who, as President of the Senate of North Carolina, in 1848, by his vote, decided the fate of this Company and secured its charter.

On motion of Gen. R. F. HOKE, the meeting adjourned.

J. T. MOREHEAD,

Chairman.

D. W. C. BENBOW, }
P. B. RUFFIN, } *Secretaries.*



Burlington, N. C., Jan. 31, 1889.

We have examined the following final account of John W. Graham, Trustee, and the vouchers called for in it, and find the account correct, and we do approve the same.

<i>A. BURWELL,</i>	} <i>Committee.</i>
<i>D. MACRAE,</i>	
<i>R. F. HOKE,</i>	

*The Sinking Fund of North Carolina R. R. Co.,**In final settlement with John W. Graham, Trustee.*

1888.			
May 31	To amount on hand this date		\$140,033 87
Sept. 1	To dividend from N. C. R. R. Co.		2,970 00
Nov. 1	To thirteen coupons collected		260 00
	To amount from P. B. Ruffin, Treas.		55,000 00
1889.			
Jan. 31	To int. collected on notes to date		2,670 00
	To profit on 990 shares of stock sold,		11,348 00
	Total receipts		\$212,282 65
	By bonds paid	\$209,000 00	
	By interest paid on bonds	48 00	
	By charges for collection of drafts	24 16	
	By advertisements for bonds	20 65	
	By expenses on bonds and money	1 65	
	By telegrams paid	2 78	
	By registering letter and transfer of stock	1 07	
	By expenses of Trustee	11 50	209,109 61
1889.			
Jan. 31	Balance due		\$3,173 04
	Returned to P. B. Ruffin, Treas.	\$3,173 04	

Respectfully submitted,

JOHN W. GRAHAM, *Trustee.*

President's Report.

PRESIDENT'S OFFICE,
BURLINGTON, N. C., June 12, 1889.

To the Board of Directors and the Stockholders of the North Carolina Railroad Company:

GENTLEMEN :—As required by the by-laws of your company, I have the honor to submit to you my annual report as President.

Since my last report we have paid off all the mortgage bonds and have duly cancelled the mortgage. In order to pay off the bonds at maturity, I borrowed, by the authority of the stockholders, given at their last annual meeting, and by order of the Board of Directors, subsequently made, the sum of sixty thousand dollars (\$60,000), at the rate of six per centum per annum. Since I borrowed this sum the Treasurer has paid on the notes the sum of fifteen thousand dollars (\$15,000), making the temporary loan at this time forty-five thousand dollars (\$45,000), which will be further reduced when the lessees pay their semi-annual rent due July 1st next.

I sold by order of the Board of Directors one hundred and ninety-five (195) shares of the stock of the company, owned by them, at par, and applied the proceeds on the payment of the mortgage bonds and the temporary loan, which loan was drawing eight per centum interest, and amounted to twenty-two thousand eight hundred dollars (\$22,800), all of which is now paid.

The Treasurer's report, showing the financial condition of

the company, shows in detail the assets and debts of the company. This report, you will observe, places the indebtedness of the company, at this time, at one hundred and sixty-seven thousand four hundred and seventy-three dollars (\$167,473). There is, however, included in this amount the sum of one hundred and twenty thousand dollars (\$120,000), dividend declared, but not due until September 1st next, which, when due, will be paid out of the semi-annual rent due by the lessees July the 1st, amount, one hundred and thirty thousand dollars (\$130,000); so, in reality, the precise debt of the company, all told, is forty-seven thousand four hundred and seventy-three dollars (\$47,473), which, as before said, can be reduced after July 1st, as our semi-annual rent, due on that day, will exceed the amount required to pay the dividend due September 1st by the sum of ten thousand dollars (\$10,000), and we now have in cash, as shown by the Treasurer's report, the sum of sixteen thousand two hundred and fifty dollars and forty cents (\$16,250.40). There is, however, included in this amount the sum of six thousand five hundred and thirty-seven dollars and twenty-two cents (\$6,537.22) due by the State National Bank, Raleigh, N. C. This amount includes the amounts deposited by the Treasurer and the Trustees of the Sinking Fund, and on which the Receiver for the bank expects to pay a dividend of about five per cent.

The amount due on old dividends is only two thousand four hundred and seventy-three dollars (\$2,473), which, of course, will have to be paid as it is called for. To sum up the whole, we have—

Actual debt of the Company	\$47,473 00
Against this we have cash on hand	\$16,250 40
Less amount in State National Bank	\$6,537 22
Less dividend of 5 per cent	326 86
	<u>\$ 6,210 36</u>
Leaving in cash	\$10,040 04
Add amount due by lessees July 1st, over what will be required to pay next dividend	10,000 00
	<u>\$20,040 04</u>
Leaves a debt of	\$27,432 96

You have two hundred and twenty-three miles of main track, with several miles of side track, machine shops, equipment, etc., costing originally (in round numbers) the sum of five million dollars, also other assets, as shown in the Secretary's report showing the financial condition of the company, amounting to twenty-six thousand seven hundred and eighty-one dollars and thirty-three cents (\$26,781.33).

Can any other road in this country make such a showing? The property is valuable, and is increasing in value every year, and I believe that before a great many years, if properly managed, the State, who owns three-fourths of the stock, will receive such benefits from it as will help very materially in defraying the expenses of the State government, thus relieving the tax-payers from the burthens of taxation to no mean extent.

The Treasurer's account shows you, in detail, his receipts and disbursements for the fiscal year ending May 31st, 1889.

The deposit in the First National Bank, of Charlotte, to secure the semi-annual rent due by the R. & D. R. R. Co., remains the same as it did a year ago. It consists of \$200,000 of Richmond & Danville five per cent. consol bonds, for which will be substituted not less than \$167,000

of six per cent. first mortgage bonds of the North Western North Carolina Railroad Company, as soon as they are issued, which will no doubt be during this year, said mortgage not to exceed \$15,000 per mile of finished road.

The reports of the experts show the condition of your property, from which you will observe that the property has been kept up to the requirements of the lease. You will observe, however, from the report made to me by *our* expert, Dr. Thos. D. Hogg, dated June 7th inst., that the lessees are short four locomotives. I would remark, that this June examination was made simply to see that the requirements made for the last year had been complied with, and is not the time to make further requirements. Should these engines not be in place when the October examination is made, no doubt the experts will then make a demand for them.

The following are copies of the

REPORTS OF EXPERTS.

RALEIGH, N. C., October 6, 1888.

COL. THOS. M. HOLT, *President N. C. R. R. Co.*,
and

MR. GEO. S. SCOTT, *President R. & D. R. R. Co.*:

SIRS:—On the 2d and 3d October, 1888, we examined the North Carolina Railroad from Goldsboro to Charlotte, in accordance with the terms of the lease to the Richmond & Danville Railroad Company.

The road-bed from Goldsboro to Raleigh needs work: the ditches to be opened, and the earth taken from the ditches placed upon the embankments to widen them out. From Raleigh to Greensboro needs ditching, except one section. From Greensboro to Charlotte the road-bed is in excellent condition. Of the rails from Goldsboro to Raleigh, 48½ miles, 16 miles are laid with steel, which are in good condition; 32½ miles are of old iron, much worse worn than we had expected to find, and the iron is in poorer condition than we have seen it in several years, and is hardly worth repairing. Of the 81½ miles from Raleigh to Greensboro, 70 miles are laid with steel, of which we did not find a blemished rail,

and the 11½ miles of iron is in a very much better condition than we thought it would be at this time. The joints are good and the iron is younger than that east of Raleigh, and can be kept in good alignment so that trains will move smoothly over it. We would, therefore, recommend that the new rails to be put down this fall should be laid east of Raleigh. Of the 93 miles from Greensboro to Charlotte, 91½ miles are laid with 60-pound steel rails, and is in superb condition. One and a half miles is laid with iron, but has become a mere turnout, and is in fair order. Of the twelve hundred tons of rails that were to have been put down by October 1st, 1888, none of them have yet been put in the track. We have agreed that there will be required, in addition to the above rails, twelve hundred tons of new rails, not less than 50 pounds to the lineal yard, for the year 1889. This will make 2,400 tons of rails for the two years. One locomotive is required to replace No. 114.

(Signed)

THOS. D. HOGG,

Expert for N. C. R. R. Co.

T. J. SUMNER,

Expert for R. & D. R. R. Co.

The following from Dr. Thos. D. Hogg, expert for this Company, was received by me January 2d, 1889:

RALEIGH, January 1, 1889.

COL. THOS. M. HOLT, *President N. C. R. R. Co.:*

SIR:—In accordance with your order, I to-day examined the rails put in the track of the North Carolina Railroad in compliance with the requisition made by the experts in October, 1887. I find placed steel rails that have been used in another track, weighing 56 pounds to the yard. They are in good condition and apparently not worn. They extend from 314 yards west of the 36-mile post easterly to 850 yards beyond the 25-mile post, making 1,026 tons laid to this date. The requisition was for 1,200 tons. I think the Richmond & Danville Company will not stop putting in these rails until they reach Selma. This is the only 56-pound steel rail east of Greensboro. As soon as 174 tons, being the remainder of the 1,200 tons required, are placed in the track, I will report to you.

Very respectfully,

(Signed)

THOS. D. HOGG,

Expert for N. C. R. R. Co.

On the 4th and 5th of June instant, the experts for the two companies made their usual June examination of the road, and reported to me on June the 7th as follows:

RALEIGH, N. C., June 7, 1889.

COL. THOS. M. HOLT, *President*:

SIR:—Col. Sumner and I examined the North Carolina Railroad on the 4th and 5th of this month to see what changes had taken place in the inventory.

We find that there has been placed in the track between the 22d and 37th mile post, 1,200 tons of steel rails, 56 pounds to the yard. They are not new, but in excellent order. This is the award that was due the 1st of last January.

There are now 14 iron bridges in the road, and there are materials for four more iron ones lying on the banks near wooden bridges to be put in shortly. That will leave only six wooden bridges in the line.

There are 18 locomotives marked for the North Carolina Railroad. This is four short of the number that the inventory calls for.

There has been a material addition to the sidings of the line. The road-bed has improved, but there is still ditching needed east of Greensboro.

There has been a marked improvement in the sign boards, mile and whistle posts, and a large number of Wharton switches have been put in. In all other respects, the property is in a satisfactory condition; in fact, is generally improving.

Yours respectfully,

(Signed)

THOS. D. HOGG,
Expert N. C. R. R.

All of which is respectfully submitted,

THOS. M. HOLT,
President N. C. R. R. Co.

Secretary and Treasurer's Report.

BURLINGTON, N. C., May 31, 1889.

To the Stockholders of the North Carolina R. R. Co.:

GENTLEMEN:—I herewith submit to you the annual report of the receipts and disbursements of the Company, and its financial condition for the fiscal year ending May 31st, 1889.

Very respectfully,

P. B. RUFFIN,
Secretary and Treasurer.

P. B. Ruffin, Treasurer, in account with N. C. Railroad Co.,

RECEIPTS.			
From lease of North Carolina Railroad	\$	260,000	00
“ Rents collected		626	63
“ Real estate		4,053	25
“ Interest collected		46	66
“ Bills Receivable		1,000	00
“ Repairs of buildings		6	40
“ Construction received of Durham & Oxford Road		251	68
“ Tax account	*	155	00
“ Dividend tax		1	20
“ North Carolina Railroad Stock		19,500	00
“ Temporary loan		60,000	00
“ Jno. W. Graham, Trustee, balance in State National Bank		3,173	04
		\$ 348,813 86	
To cash on hand June 1st, 1888			20,006 13
		\$ 368,819 99	

Commencing June 1st, 1888, and ending May 31st, 1889.

DISBURSEMENTS.

Dividends	\$	239,862	00	
Coupons		8,960	00	
Salaries		4,150	00	
Legal expenses		81	10	
Interest		2,780	72	
Incidental		1,077	49	
Repairs of buildings		29	48	
Advertising and stationery		291	50	
Taxes		237	30	
Sinking Fund		55,000	00	
Temporary loan		37,800	00	
Bills Receivable, paid J. W. Graham, Trustee, for Webb & Morrow's note		1,300	00	
Mortgage Bonds due November, 1888		1,000	00	
To cash on hand May 31st, 1889				
				\$ 352,569 59
				16,250 40
				\$ 368,819 99

P. B. RUFFIN, *Treasurer.*

Financial condition of the North Carolina Railroad Co.,

PROPERTY ASSETS.		
Construction and Equipment	\$ 4,923,834 03	
North Western N. C. Railroad Stock	20,000 00	
State University Railroad Stock	5,000 00	
		\$ 4,948,834 03
CASH ASSETS.		
Due from other Companies	1,134 04	
Due from Bills Receivable	550 00	
Due from Dividend Tax	20 20	
Due from Rent Book	77 09	
Cash on hand May 31st, 1889	16,250 40	
		\$ 18,031 73
		\$ 4,966,865 76

For the Fiscal Year ending May 31st, 1889.

LIABILITIES.			
Capital Stock			\$ 4,000,000 00
FLOATING DEBT.			
Temporary loan	\$	45,000 00	
Unpaid Dividends, Nos. 1 to 27		2,365 00	
3 per cent. on Dividend No. 27, due Sept. 1st, 1889		120,000 00	
Dividend Certificates		108 00	
Profit and Loss			167,473 00
			799,392 76
			<hr/>
			\$ 4,966,865 76

P. B. RUFFIN, *Secretary.*

Report of Finance Committee.

OFFICE NORTH CAROLINA R. R. COMPANY,
BURLINGTON, June 8, 1889.

To the Stockholders of the North Carolina R. R. Co.:

GENTLEMEN:—Your committee herewith submit their report for the last fiscal year. Upon examination of the books of the Treasurer, we found that they had been correctly and neatly kept, and that there were proper vouchers for all charges. The books of the Treasurer show that there was a balance of cash on hand May 31st, 1889, of \$16,250.40.

One thousand and eighty dollars of coupons due in November, 1888, were counted and burned by your committee, and a proper note thereof made on the books of the Treasurer.

A letter from Maj. J. W. Graham, late Trustee of the Sinking Fund, shows that the entire amount of that fund has been appropriated towards the payment of the bonded debt of 1868, and that the whole amount of that debt has been paid and the mortgage cancelled.

Respectfully submitted,

S. H. WILEY,
J. L. BROWN,
W. F. KORNEGAY,
JAMES H. HOLT,
M. A. ANGIER,
Finance Committee.

AUG 8 1904

